

**FILED**

MAR 03 2011 **NF**

MICHAEL W. DOBBINS  
CLERK, U.S. DISTRICT COURT  
STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

UNITED STATES OF AMERICA

)

No. **11CR 0182**

)  
vs.

)

) Violation: Title 18, United States Code,  
MICHAEL LETOURNEAU ) Section 157(2).

)

COUNT ONE

**JUDGE LEINENWEBER**  
**MAGISTRATE JUDGE COX**

The SPECIAL JULY 2010 GRAND JURY charges:

1. At times material to this indictment:

a. Beginning on or about November 1, 2007, defendant MICHAEL LETOURNEAU was in default on loans totaling approximately \$1.4 million secured by 1900 Telegraph Road, Bannockburn, Illinois ("1900 Telegraph Road");

b. On or about September 10, 2008, one of the lenders obtained a foreclosure judgment in the Lake County Circuit Court against defendant MICHAEL LETOURNEAU and an order authorizing the foreclosure sale of 1900 Telegraph Road;

c. On or about January 12, 2009, 1900 Telegraph Road was sold at a foreclosure sale;

d. On or about January 21, 2009, the Lake County Circuit Court authorized and directed the Lake County Sheriff to evict defendant MICHAEL LETOURNEAU and take possession of 1900 Telegraph Road on or after February 20, 2009;

e. Under the Bankruptcy Code, the filing with the United States Bankruptcy Court of a voluntary bankruptcy petition by or an involuntary bankruptcy petition

against a debtor automatically stayed collection activity by creditors against property in which the debtor had an interest, including a foreclosure sale and an eviction (the "automatic stay"); and

f. Under the Bankruptcy Code, three or more creditors to whom an individual debtor owed undisputed claims aggregating at least \$13,475 could place the individual debtor in an involuntary bankruptcy by filing with the United States Bankruptcy Court an involuntary petition against the debtor in which the petitioning creditors each declared under penalty of perjury the nature and amount of the claim owed by the debtor.

2. Beginning in or about January 2009, and continuing until on or about April 14, 2009, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL LETOURNEAU

defendant herein, together with others known and unknown to the Grand Jury, devised and intended to devise, and participated in a scheme to defraud by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and attempting to do so, filed and caused to be filed fraudulent involuntary petitions against defendant LETOURNEAU with the United States Bankruptcy Court, which scheme is further described below.

3. It was part of the scheme that defendant MICHAEL LETOURNEAU attempted to defraud and did defraud entities of their interests in and right to possession of 1900 Telegraph Road by transferring an interest in 1900 Telegraph Road to an individual in

bankruptcy and by filing and causing to be filed involuntary bankruptcy petitions against defendant LETOURNEAU for the sole purpose of fraudulently invoking the automatic stay to stop the foreclosure sale of and defendant LETOURNEAU's eviction from 1900 Telegraph Road.

4. It was further a part of the scheme that, on or about January 12, 2009, defendant MICHAEL LETOURNEAU purportedly transferred, for no consideration, a 25% interest in 1900 Telegraph Road to Person A, who was a debtor in a bankruptcy case in the United States Bankruptcy Court for the Central District of California (08-25246).

5. It was further a part of the scheme that, on or about March 15, 2009, defendant MICHAEL LETOURNEAU caused a purported notice of the automatic stay resulting from Person A having a 25% interest in 1900 Telegraph Road to be sent to the Lake County Sheriff in an attempt to fraudulently use the automatic stay from Person A's bankruptcy to stop the foreclosure sale of and defendant LETOURNEAU's eviction from 1900 Telegraph Road.

6. It was further a part of the scheme that, on or about March 17, 2009, defendant MICHAEL LETOURNEAU caused an involuntary petition to be filed against defendant LETOURNEAU in the United States Bankruptcy Court for the Central District of California (09-16053), which petition was fraudulent in that the defendant did not owe the purported petitioning creditors any debts.

7. It was further a part of the scheme that, on or about March 17, 2009, defendant

MICHAEL LETOURNEAU caused a notice of filing of the fraudulent involuntary petition against defendant LETOURNEAU in the United States Bankruptcy Court for the Central District of California (09-16053) to be sent to the Lake County Sheriff in an attempt to fraudulently use the automatic stay to stop the foreclosure sale of and defendant LETOURNEAU's eviction from 1900 Telegraph Road.

8. It was further a part of the scheme that, on or about March 19, 2009, defendant MICHAEL LETOURNEAU prepared and caused to be prepared an involuntary petition against defendant LETOURNEAU for filing in the United States Bankruptcy Court for the Northern District of Illinois, which petition was fraudulent in that the defendant used the names of friends and associates as the purported petitioning creditors, the defendant did not owe the purported petitioning creditors any debts, and the purported petitioning creditors did not sign the petition.

9. It was further a part of the scheme that, on or about March 19, 2009, defendant MICHAEL LETOURNEAU filed an involuntary petition against defendant LETOURNEAU in the United States Bankruptcy Court for the Northern District of Illinois (09-09199), which petition was fraudulent in that the defendant did not owe the purported petitioning creditors any debts and the purported petitioning creditors did not sign the petition.

10. It was further a part of the scheme that, on or about March 19, 2009, defendant MICHAEL LETOURNEAU sent a notice of the filing of the fraudulent involuntary petition that defendant LETOURNEAU filed against himself in the United States Bankruptcy Court

for the Northern District of Illinois (09-09199) to the Lake County Sheriff for the purpose of fraudulently using the automatic stay to stop the foreclosure sale of and defendant LETOURNEAU's eviction from 1900 Telegraph Road, and did fraudulently stop the foreclosure and eviction.

11. It was further a part of the scheme that, on or about April 14, 2009, defendant MICHAEL LETOURNEAU corruptly attempted to persuade a person, whose name defendant LETOURNEAU had fraudulently used as a purported petitioning creditor in the fraudulent involuntary petition defendant filed against himself in the United States Bankruptcy Court for the Northern District of Illinois (09-09199) and who had received a notice to appear in the United States Bankruptcy Court, not to appear in Court.

12. It was further part of the scheme that defendant MICHAEL LETOURNEAU did misrepresent, conceal and hide, and cause to be misrepresented, concealed and hidden, acts done in furtherance of the scheme and the purpose of those acts.

13. On or about March 19, 2009, at Chicago, in the Northern District of Illinois, Eastern Division,

MICHAEL LETOURNEAU,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, filed a fraudulent Involuntary Petition for Chapter 7 bankruptcy, specifically case *In re Michael Letourneau*, #09-09199, in the United States Bankruptcy

Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Section 157(2).

A TRUE BILL:

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FOREPERSON

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UNITED STATES ATTORNEY